

ROAD USE PERMIT

THIS ROAD USE PERMIT ("Permit"), made and entered into as of the **31st** day of **August, 2011**, by and between **ORM Timber Operating Company II, LLC**, "OWNER" whose address is 321 Maurin Rd., Suite C, Chehalis, WA 98532, and **Lewis County** whose address is **2025 NE Kresky Ave, Chehalis, WA 98532**. **ORM Timber Operating Company II**, shall be referred to herein as "OWNER." **Lewis County** shall be referred to herein as "PERMITTEE." OWNER does hereby grant to PERMITTEE, pursuant to the terms and conditions set forth herein, non-exclusive permission to use parts of the property located on a portion of **Section 6(T12N-R04E) and section 31(T13N-R04E), W.M., Lewis County, WA** more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Premises"), for the following purposes: to gain access to providing power to and for the installation, maintenance and operation of its radio relay station located in Section 31 and for purposes reasonably incidental thereto.

This Permit is granted upon the following terms and conditions:

1. **Term:**

This Permit shall take effect on the **31st** day of **August, 2011**, and shall be in effect until the **31st** day of **August, 2016**, or upon the completion of PERMITTEE's operations, whichever date occurs first.

2. **Consideration:**

PERMITTEE shall pay OWNER the sum of Two Thousand and 00/100 (\$2,000.00). Payment is due and payable upon signing of this permit. This permit shall be renewable under mutually agreeable terms and conditions.

3. **Other Provisions:**

OWNER grants PERMITTEE non-exclusive permission to enter upon OWNER'S existing private road over and across the PREMISES as shown approximately on the attached exhibit "A", and to maintain an existing line within a right of way twenty (20) feet in width across Government Lot 1 of section 6 as shown approximately on the attached Exhibit "A", which is attached hereto and incorporated herein by reference, for the purpose of gaining access to providing power to and for the installation, maintenance and operation of its radio relay station located in Sections 31 and for purposes reasonably incidental thereto.

4. **Assumption of Risk and Liability by PERMITTEE:**

- A. PERMITTEE acknowledges that it has inspected the Premises described on Exhibit A and the roads thereon, knows the condition thereof and is entering into this Permit with full knowledge of the state and condition of the Premises and roads, and accepts the Premises and roads "AS IS." OWNER makes no warranty or representation as to the present or future conditions of the Premises, or the character of the traffic on any of its roads, and PERMITTEE, on behalf of itself, its employees, subcontractors, agents, invitees, licensees or other third parties performing services for PERMITTEE in conjunction with this Permit, expressly assumes all risks associated with all activity which takes place on or off the Premises and roads thereon, including, but not limited to, the use of primitive unsigned roads or trails and unstable soil conditions on or in the vicinity of the roads and/or Premises. PERMITTEE understands and agrees that OWNER would not have entered into this Permit without an express assumption of all risks by PERMITTEE.
- B. PERMITTEE agrees to pay for all damage to the Premises or other property of OWNER resulting directly or indirectly from the negligent acts or omissions of the PERMITTEE hereunder, and shall reimburse OWNER for all costs reasonably incurred for fighting fire resulting directly or indirectly from the PERMITTEE's acts or omissions hereunder whether negligent or otherwise.
- C. PERMITTEE shall indemnify and save harmless, ORM Timber Operating Company II, LLC, and Olympic Resource Management, LLC, and their respective affiliated companies and their respective properties and officers, employees, agents, permittees and licensees, herein in this paragraph included in the term "OWNER," from any and all costs, expenses, damages, penalties, liens, charges, claims, injuries, environmental cleanup or remediation obligations, demands or liabilities whatsoever (including reasonable attorneys' fees and court costs) (hereinafter in this Paragraph 4(C) referred to as "claim") arising out of or in any manner connected with or resulting from the acts, omission, activities, or operations hereunder of PERMITTEE and/or PERMITTEE's servants, employees, contractors, subcontractors, agents, permittees, independent contractors and/or assigns ("PERMITTEE's Responsible Parties"), as the case may be, which may be suffered by OWNER or asserted by any third party whomsoever, including, but not limited to, PERMITTEE's Responsible Parties and governmental agencies.

Notwithstanding the foregoing, (i) PERMITTEE shall have no liability under this Paragraph 4(C) for any claim caused by or resulting from the sole negligence of OWNER or its agents or employees, and (ii) for any claim that arises out of the concurrent negligence of OWNER or its agents or employees and PERMITTEE or its agents or employees, PERMITTEE shall be liable under this Paragraph 4(C) only to the extent of the negligence of PERMITTEE or its agents or

employees. Without limiting that generality of the foregoing, PERMITTEE assumes potential liability for actions brought by any of PERMITTEE's Responsible Parties. PERMITTEE's indemnity obligation hereunder shall not be limited by any workers' compensation, benefits or disability laws and PERMITTEE waives any immunity that PERMITTEE may have under any applicable industrial insurance law or act or similar workers' compensation, benefits or disability laws. The foregoing waiver was mutually negotiated by the parties.

PERMITTEE releases and waives all claims against OWNER with respect to any claim or injury arising from the operations of PERMITTEE under this Permit.

5. Insurance Requirements:

PERMITTEE shall self-insure its general liability. To the extent permitted by Federal Law, including the federal Tort claims Act (28 USC, Section 2672 et seq.), PERMITTEE agrees to indemnify and hold OWNER harmless against all loss or liability in any way arising out of injury or death of persons or damage to property, including PERMITTEE'S property, in any way arising in or about, or in connections with or as a result of, the PERMITTEE'S use of, the PREMISES or roads leading thereto.

6. Compliance with Laws and Regulations:

PERMITTEE shall comply with all applicable laws, statutes, ordinances, rules and regulations of federal, state and local governments and agencies thereof, including, but not limited to, those relating to forest roads, traffic safety, wetlands, environmental protection, forest practices, conservation practices, hazardous waste or materials, explosives, protection of threatened and endangered species, water resources, wetlands, shorelines and the prevention, suppression and control of fire, and all valid orders of federal and state officials pertaining thereto.

PERMITTEE shall, at its sole expense, be responsible for any deviations therefrom or infractions thereof. In the event that PERMITTEE receives a notice of a deviation or infraction from any governmental entity or agency, PERMITTEE shall immediately notify the Area Manager of the OWNER and provide copies of all pertinent documentation with regard to said matter. PERMITTEE shall ensure that any and all subcontractors performing work, or providing materials, in conjunction with PERMITTEE's activities pursuant to this Permit comply with all applicable federal, state and local laws, rules and regulations. Upon request, PERMITTEE shall provide evidence satisfactory to OWNER of PERMITTEE's compliance hereunder.

PERMITTEE shall be responsible for and shall obtain all permits and licenses required in its use of the Premises for purposes stated herein, and shall fully

comply with all requirements and conditions contained in such permits and licenses.

7. Fire Protection and Suppression:

For the protection of OWNER's land and timber in the vicinity of the Premises:

- A. PERMITTEE agrees to dispose of all slash and debris created by PERMITTEE's operation on the Premises in a manner satisfactory to OWNER and upon such disposal PERMITTEE shall, if required to do so by OWNER or by government officials, promptly obtain an unconditional certificate of clearance with respect to the slash so disposed of and deliver the same to OWNER;
- B. Upon discovery of any fire on or in the vicinity of the Premises the PERMITTEE shall immediately notify OWNER and the nearest fire association or district and shall use all its equipment and employees to suppress any such fire, regardless of the cause or origin of the fire.

8. Use and Maintenance of Premises:

- A. PERMITTEE agrees to conduct its operations in a lien-free, workmanlike manner, and leave the Premises in a condition satisfactory to OWNER upon the expiration of this Permit. It is understood and agreed that PERMITTEE shall not commit or suffer to be committed any waste upon the Premises nor allow or cause the Premises to be used for any improper or unlawful purpose or for any purpose not expressly permitted under this Permit. PERMITTEE shall pay when due all costs arising in connection with its operations on the Premises, including all payments owed to its employees, contractors and subcontractors in connection with such operations, and all premiums, fees, contributions and taxes required under applicable law to be paid by an employer, including workers compensation.
- B. PERMITTEE agrees to neither cut, damage nor destroy any of OWNER's timber, without OWNER's prior written permission. The cutting, damaging or destroying of any such timber shall be considered willful trespass and PERMITTEE shall be liable to OWNER therefore in a sum equal to three times the damage sustained by OWNER on account of the cutting, damaging or destroying of such timber. PERMITTEE shall not damage or remove any other natural resources from the Premises.
- C. PERMITTEE agrees to maintain all roads used in such a state of repair as to allow normal use by passenger cars at all times, and upon the termination of this Permit, leave the same in said condition and shall, if any portion of the same is maintained by any party other than

PERMITTEE, pay to such party PERMITTEE's equitable share of the cost of such maintenance based upon proportional use thereof or as otherwise agreed upon by the parties concerned. PERMITTEE shall be responsible for the cost of any road repair to the extent such repair is necessitated by PERMITTEE's use thereof; provided, PERMITTEE shall not conduct any road construction nor repair without first obtaining any permit required and obtaining OWNER's prior written consent to any proposed road work, design, specifications and location pertaining to such work.

- D. PERMITTEE agrees to keep all roads open and not obstruct same nor land any logs or other forest products alongside said road nor load any trucks thereon without OWNER's permission in writing.
- E. This Permit shall be subject to the speed limits, traffic control and other regulations promulgated by OWNER or applicable governmental agency from time to time, including the right of OWNER to close the road during periods of high fire danger or soft road conditions. PERMITTEE, when using said roads, shall comply with all reasonable road restrictions on weight, speed, and use during adverse weather or fire conditions as reasonably necessary to protect the road.
- F. While operating within the Premises, PERMITTEE shall protect all survey monuments, witness corners, reference monuments and bearing trees against destruction, obliteration or damage during operations on the Premises. If any monuments, corners or accessories are destroyed, obliterated or damaged by such operations, PERMITTEE, at its cost and expense, shall hire a registered land surveyor to establish or record the monuments, corners or accessories, at the same location and shall record such survey in appropriate county records.
- G. PERMITTEE shall conduct its activities and operations so as to cause the least possible damage to the soil, slopes, roads and any surrounding standing timber on the Premises; leave the Premises and roads in good condition; reduce fire hazards; protect the environment and natural soil conditions; maintain the quality of the surface water on the Premises and the water that flows from it; prevent siltation in the streams; and leave streambeds, both intermittent and permanent, in as nearly undisturbed condition as possible.
- H. Unless otherwise specifically authorized in writing, PERMITTEE shall not dispose of or otherwise release any hazardous waste or materials or containers containing any hazardous waste or materials in, on or under the Premises or any adjacent property. As used herein, the term "hazardous waste or materials" includes any substance, waste or material designated as hazardous, toxic or dangerous by any applicable federal, state or local law, regulation, rule or ordinance, including, without

limitation, petroleum products. If PERMITTEE becomes aware of any oil sheen on waters on the Premises or any spills or release of any hazardous waste or materials on the Premises or any adjacent property or any other environmental problem on the Premises, PERMITTEE will immediately notify OWNER and take appropriate action to control the effects thereof. PERMITTEE will cause all equipment used on the Premises in connection with its operations to be daily inspected for hydraulic and fuel leaks and be repaired prior to entering the Premises. All leaks, spills and overfills with respect to such equipment shall be immediately cleaned up by PERMITTEE and all contaminated soil or material removed and properly disposed of by PERMITTEE.

PERMITTEE shall remove all garbage, including petroleum products. Garbage shall not accumulate on site unless it is in a trash barrel, nor shall garbage be buried in slash or in the ground. In addition to the cost of removal, a penalty of \$500 for petroleum products and/or \$250 for other garbage may be assessed for failure to comply.

9. Non-Assignment:

Neither this Permit nor the right of PERMITTEE hereunder shall be assignable in whole or in part, by operation of law or otherwise, without the prior written consent of OWNER thereto, which consent may be withheld in OWNER's sole discretion.

10. Notice:

Any notice or demand required or permitted to be given under the terms of this Permit shall be deemed to have been duly given if served personally or if deposited in the United States mail in a sealed envelope, postage prepaid, by registered or certified mail, addressed to the party to be notified at the latter's post office or mailing address herein above set forth; and such mailing by registered or certified mail shall be equivalent to personal service. Either party may change its address for notice purposes by giving the other party at least thirty (30) days prior written notice.

11. Waiver:

Any failure by OWNER to exercise a right to terminate this Permit in case of default by PERMITTEE shall not constitute a waiver of PERMITTEE's obligations to perform strictly in accordance with the terms and conditions of this Permit, nor a waiver of any rights of OWNER hereunder. Any such right to terminate shall remain in full force and effect and may be exercised so long as such default continues.

12. Termination:

In case PERMITTEE shall breach any part of this Permit, OWNER may terminate this Permit immediately, with or without notice to PERMITTEE. Should owner terminate this permit for breach by PERMITTEE, PERMITTEE shall not be entitled to any refund of consideration paid. Upon termination, OWNER shall be entitled to take immediate steps to prevent PERMITTEE from further using the Premises and to remove PERMITTEE and its equipment therefrom. The foregoing remedies shall not be deemed exclusive but shall be in addition to all other remedies available at law or in equity.

OWNER may terminate this permit at any time with thirty(30) days written notice to PERMITTEE provided that OWNER shall refund PERMITTEE its prorated share of the consideration paid, unless said termination is for breach.

13. Removal of Equipment:

Upon completion of its activities hereunder or earlier termination of this Permit, PERMITTEE shall remove all of its equipment and all materials, tools, and rubbish which have accumulated on the Premises and leave the same in a clean and satisfactory condition. In the event any equipment is not removed within thirty (30) days after such completion or termination, OWNER shall have the right to take possession of, store or otherwise remove and dispose of said equipment at the expense of PERMITTEE. PERMITTEE shall not dispose of waste, including, but not limited to, packaging material, whether by burning, burying or otherwise on the Premises.

14. Miscellaneous:

PERMITTEE is acting as a permittee hereunder, and is not and shall not be deemed to be an agent, employee or partner of OWNER. If suit is brought to enforce any provision of this Permit, the prevailing party shall be entitled to an award of its costs and reasonable attorneys' fees. If any provision hereof is held by a court to be invalid or unenforceable, the remaining terms hereof shall remain in full force and effect. PERMITTEE's indemnification and duty to defend obligations hereunder shall survive the termination of this Permit. This Permit contains the entire agreement of the parties concerning the subject matter hereof, and no provision hereof may be modified, waived or amended except in writing signed by the parties hereto.

15. Recording:

This permit shall not be recorded.

IN WITNESS WHEREOF, OWNER and PERMITTEE have executed this Permit in duplicate as of the day and year herein above first written.


OWNER

ORM Timber Operating Company II, LLC, a Delaware

PERMITEE:

Lewis County

Limited Liability Company
By: Olympic Resource Management LLC, a Washington
Limited Liability Company
Its manager


By: Mike Mackelwich
Title: Area Manager

By: Ron Avenell
Title: Chairman-BOCC

Date: 9/7/11

Date: 8-29-11

Fed ID #:
Workers Compensation #

Exhibits attached:

- Exhibit A The Premises
Exhibit B Additional Specification:
- Wet Weather Logging and Hauling Shutdown Guidelines
 - Chemical Contamination Contingency Plan CTF

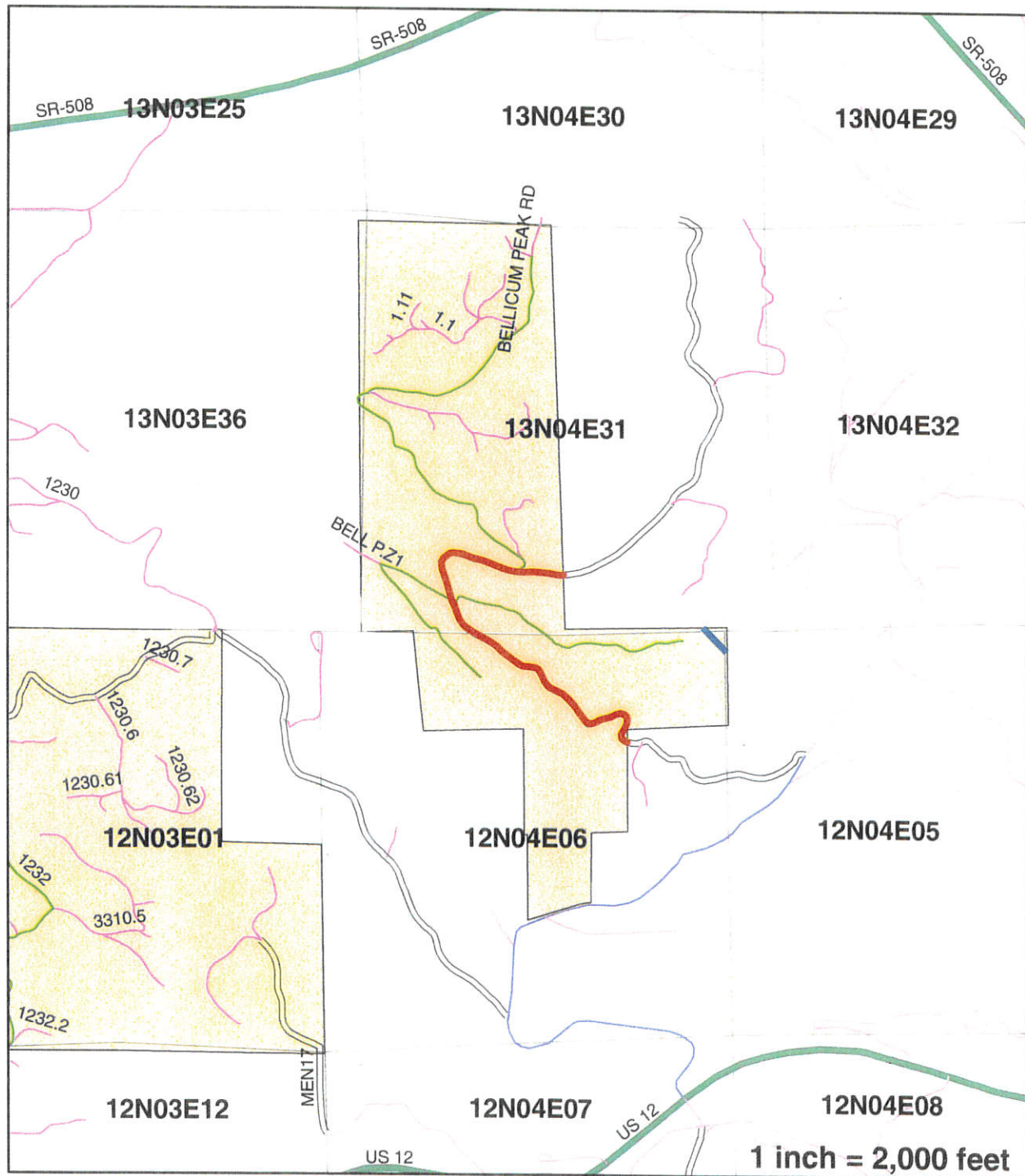
Exhibit A
The Premises

ORM Timber Operating Co. II, LLC

6-22-2011

(12N-04E) 6 & 31
Lewis County, WA

RUP # _____



trans arc	Interstate	Secondary	Existing ORM Timber Operating Co. II, LLC road to be used by Lewis County
CLASS	Mainline	Spur	Transmission Line right-of-way to be used by Lewis County
Abandoned	Public	Trail	
County	RR	Unclassified	
Ferry	Railroad	sections polygon	
Highway	Ramp	OWNER	
		TFII	

ORM Timber Operating Co. II, LLC _____

Lewis County _____



EXHIBIT B
ADDITIONAL SPECIFICATION

Wet Weather Logging and Hauling Shutdown Guidelines

ORM recognizes that the potential for adverse impacts to soil productivity and water quality varies greatly with soil types, climates, logging methods and timing of harvest. These are general guidelines to prevent delivery of sediment to typed waters, and the degradation of site quality caused by compaction. Operators are encouraged to look at alternatives such as the use of alternate roads or skid trails, and bringing in limbs to minimize impacts as long as these guidelines can be met. The forester will use his best judgment depending on site conditions in making a decision on shutting down.

Roads and hauling

- Do not perform hauling operations during rain events that will cause a rise in visible turbidity beyond natural levels within adjacent typed water or that allows sediment to deliver to typed water or wetlands.
- New road grades and at times older sub-grades that have gone through a freeze/thaw cycle can lose some of their integrity during wet weather conditions. Cease hauling when these types of roads are being rutted or degraded to a point where future rain events will cause a rise in visible turbidity beyond natural levels within adjacent typed water or wetlands.

Ground operations

- Cease skidding operations during rain events that cause water to be channeled down skid roads. Take appropriate action to stabilize skid roads to prevent channeling
- Do not perform operations at a landing during rain events that will cause a rise in visible turbidity beyond natural levels within adjacent typed water, or that allows sediment to deliver to typed water or wetlands.

Chemical Contamination Contingency Plan Chehalis

Notification Protocol

In the event of an emergency chemical spill on the Columbia Tree Farm, Green River Tree Farm, Mineral Tree Farm, Riffe Lake Tree Farm, Copper Creek Tree Farm, Willamina Tree Farm, or Rockaway Tree Farm the following notification of any concerned parties will occur:

PRIMARY NOTIFICATION

ORM Personnel (Chehalis and Corporate)

Chehalis Office (360) 740-4323

Staff	Home	Mobile
Mike Mackelwich/Area Manager	360.748.8375	360.520.1635
Ben Carlsen/Forester	-	360.477.9815
Byron Hinners/Forester	360.425.0955	360.580.6573
Jesse Bloomfield/Forester	-	360.970.9872
Josh Miller/Forester	-	360-509-3599
Griffin Chamberlain/Forester	-	360-440-4177

ORM Corporate Office (360) 697-6626

Staff	Direct	Mobile
Tim Raschko/ Director Timberland Operations	360.394.0545	360.708.8029
Dave Nunes/President and CEO	360.394.0544	Unlisted

COMPLETE INCIDENT REPORT AND TURN IN TO RISK MANAGER (CARRI COULTAS).

ALTERNATE NOTIFICATION – as determined to be appropriate by Chehalis Staff
Government Agencies Washington State/Oregon State

	BUSINESS	
Police, Sheriff, State Patrol, Fire	911	
WA Poison Control Center	800.222.1222	
WA Dept of Agriculture Pesticide Division	877.301.4555	
WA Dept of Ecology Spill Response Centers	Northwest Office – Bellevue 425.649.7000	All materials OTHER than oil
	Southwest Office – Olympia 360.407.6300	All materials OTHER than oil
	Central Office – Yakima 509.575.2490	All materials OTHER than oil
	Eastern Office – Spokane 509.456.2926	
	OIL SPILL – Washington State 800.256.5990	Oil
WA Dept of Natural Resources	360.902.1000	All materials OTHER than oil
Oregon Emergency Response	800.452.0311	Oil or hazardous materials
National Response Center	800.424.8802	
Oregon Dept of Forestry	503.945.7470	Chemical & Petroleum Spills

Contractors

In the event of a chemical or oil spill that may adversely impact people, property or waters of the State:

- 1) Assure Safety of personnel.
- 2) Contain spill with available spill kits and notify ORM's primary list immediately of the a) material; b) quantity; c) location; d) time of incident; e) severity of incident; f) potential threat to public, property, or environment; g) remedial actions taken; and h) responsible party. If no one is available, call corporate notification list. Notify governmental agencies if reportable quantity is spilled (per relevant laws).

ORM Employees

- 1) Stand by to assist clean-up if needed
- 2) Complete Chemical spill checklist.
- 3) Notify Supervisor.

CHEMICAL SPILL CHECKLIST

Date: _____

Time Spill Reported: _____ AM/PM

Person/ Agency Reporting Spill: _____

1. What material/chemical is spilled? _____

2. Location: _____

3. Size of spill: _____

4. Cleanup Resources Needed? _____

5. Reported To: _____

6. Comments/ Details: _____

Chehalis Staff Members Signature: _____